



# Section I: Accomplishments



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# Judges

## Judicial Committees

The judicial committees, established by the Court Governance Plan, address Court-related issues. These committees are responsible for providing feedback and guidance to the entire Board of Judges regarding Court operations and administrative issues. Clerk's Office management staff attend committee meetings and provide support to the committees. Chief Judge Barry Russell and Executive Officer/Clerk of Court Jon D. Ceretto are ex-officio members of each committee. The 2003 standing judicial committees were:

- **Executive Committee**  
Judge Barry Russell, Chair  
Judge Alan M. Ahart  
Judge James N. Barr  
Judge Sheri Bluebond  
Judge Meredith A. Jury  
Judge Kathleen T. Lax  
Judge Geraldine Mund
  - **Case Management Committee**  
Judge Sheri Bluebond, Chair  
Judge Meredith Jury  
Judge Geraldine Mund  
Judge Robin L. Riblet  
Judge John E. Ryan
  - **Chapter 13 Committee**  
Judge Thomas B. Donovan, Chair  
Judge Peter H. Carroll  
Judge Kathleen T. Lax  
Judge John E. Ryan  
Judge Vincent P. Zurzolo
  - **Education and Training Committee**  
Judge Meredith A. Jury, Chair  
Judge Robert W. Alberts  
Judge Sheri Bluebond  
Judge Samuel L. Bufford  
Judge Geraldine Mund
  - **Pro Se Committee**  
Judge Mitchel R. Goldberg, Chair  
Judge James N. Barr  
Judge Samuel L. Bufford  
Judge Arthur M. Greenwald
  - **Rules Committee**  
Judge Peter H. Carroll, Chair  
Judge James N. Barr  
Judge Sheri Bluebond  
Judge Ernest M. Robles
  - **Space and Security Committee**  
Judge Vincent P. Zurzolo, Chair  
Judge Arthur M. Greenwald  
Judge David N. Naugle  
Judge Robin L. Riblet  
Judge John E. Ryan
  - **United States Trustee Liaison Committee**  
Judge Robin L. Riblet, Chair  
Judge Peter H. Carroll  
Judge Kathleen T. Lax  
Judge Ernest M. Robles  
Judge John E. Ryan  
Judge Erithe A. Smith
- The task forces/*ad hoc* committees:
- **Alternative Dispute Resolution Committee**  
Judge Barry Russell, Chair
  - **Diversity Outreach Task Force Committee**  
Judge Erithe A. Smith, Chair  
Judge Kathleen T. Lax  
Judge James N. Barr
- Special Assignment:
- **Legislation Liaison**  
Judge Sheri Bluebond, Chair  
Judge Samuel L. Bufford  
Judge Robin L. Riblet  
Judge John E. Ryan

### Maureen A. Tighe Appointed as Bankruptcy Judge

On November 13, 2003, Chief Judge Mary M. Schroeder of the United States Court of Appeals for the Ninth Circuit announced the appointment of Maureen A. Tighe as a bankruptcy judge for the Central District of California. Chief Judge Barry Russell administered the *Oath of a Bankruptcy Judge* to her on November 24, 2003. Judge Tighe received both her undergraduate and juris doctorate degrees from Rutgers University, where she was editor-in-chief of the *Rutgers Law Review* from 1983 to 1984. Upon graduation, she served as a law clerk to Judge Harold A. Ackerman, United States District Judge for the District of New Jersey. From 1986 to 1988, Judge Tighe was in private practice with Sullivan and Cromwell in New York City. She was an Assistant United States Attorney in Los Angeles, California, from 1988 through March 31, 1998, last serving as the Deputy Chief of the Major Frauds Section. From April 1, 1998 until Judge Tighe's appointment to the bench, she was the United States Trustee for Region 16, which covers the Central District of California. Her formal investiture was held on March 4, 2004. Judge Tighe maintains her chambers in the Los Angeles Division.

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### Judge Erithe A. Smith Appointed to the BAP

The Judicial Council of the Ninth Circuit appointed Judge Erithe A. Smith to the United States Bankruptcy Appellate Panel (BAP) of the Ninth Circuit to fill the vacancy resulting from the expiration of Judge John E. Ryan's term on December 31, 2003. Judge Smith's seven-year term on the BAP commenced on January 1, 2004. She maintains her chambers in the Los Angeles Division, and has served as a bankruptcy judge for the Central District since 1994. Judge Smith is the first African-American woman to become a bankruptcy judge in the Central District and also the first to sit on the BAP of the Ninth Circuit. Judge Smith earned her juris doctorate degree from Boalt Hall School of Law. She then served as a law clerk to Justice Marcus M. Kaufman of the California Court of Appeals and later to Judge Peter M. Elliot of the United States Bankruptcy Court in Santa Ana, California. Prior to her appointment to the bench, Judge Smith was in private practice in Orange County, California. Judge Smith is a frequent speaker and lecturer at various professional conferences, seminars, and workshops. (See *Judge John E. Ryan's BAP Term Expires*, page 17.)

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### Judge John E. Ryan's BAP Term Expires

Judge John E. Ryan's term on the BAP expired on December 31, 2003. Judge Ryan was appointed to the United States Bankruptcy Court in October 1986, and to the BAP in January 1997. He assumed the office of presiding judge of the BAP on January 1, 2002. Judge Ryan has been an active member of several judicial committees of the Ninth Circuit and was instrumental in the formation of the Orange County Bankruptcy Forum. Judge Ryan maintains his chambers in Santa Ana. Prior to becoming a bankruptcy judge, he was in private practice both in San Diego and Boston, and served in legal positions with the New York and American Stock Exchange companies. Judge Ryan is succeeded on the BAP by Judge Erithe A. Smith. (See *Judge Erithe A. Smith Appointed to the BAP*, page 16.)

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### Bankruptcy Mediation Program a Continued Success

Established in July 1995, the Bankruptcy Mediation Program for the Central District of California has been in effect for nearly a decade. Providing the Court and the public with effective and reliable assistance in the resolution of disputes, without the time and expense associated with litigation, the robust Mediation Program continues as the largest bankruptcy court mediation program in the nation.

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In June 2003, the United States Courts for the Ninth Circuit recognized the outstanding work of Sarah S. Kwak, Esq., as the coordinator of the Court's Mediation Program. Ms. Kwak serves as law clerk to Chief Judge Barry Russell, and was presented with the *Robert F. Peckham Award for Excellence in Alternative Dispute Resolution* at the annual Ninth Circuit Judicial Conference. The Judicial Council of the Ninth Circuit established this award in 2001 in honor of the late Judge Peckham, a former chief district court judge who pioneered the use of legal means, other than court trials, to resolve disputes.

The number of matters assigned to the Mediation Program has steadily increased since its inception. As of December 31, 2003, 2,849 matters had been assigned to the Mediation Program since it was introduced, and 128 matters were pending. Of the matters assigned, 2,721 had been concluded, with 1,725 of those matters settled and 996 not settled. A total of 203 mediators participated in the Mediation Program as of December 31, 2003.

<b>Table 1</b> <b>Mediation Program Volume</b> <b>Central District of California</b> <b>(As of December 31, 2003)</b>	
Total Number of Matters Assigned to ADR Since July 1995	2,849
Matters Settled (63%)	1,725
Matters Not Settled (36%)	996
Total Number of Matters Concluded	2,721
Current Number of Pending Matters	128
Number of Mediators	203



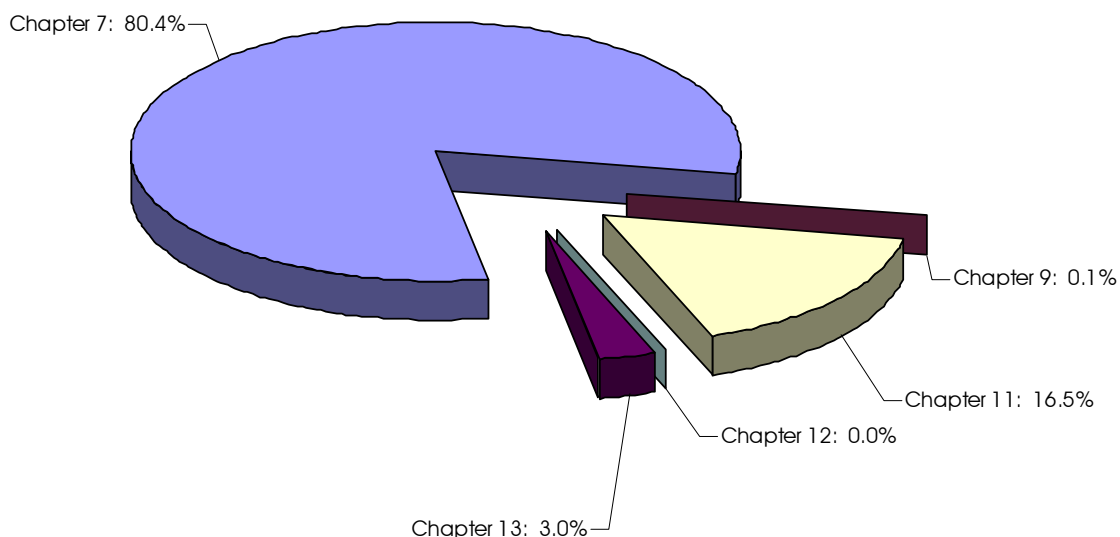
To obtain feedback about the effectiveness of the Mediation Program, the Court mails questionnaires to parties and attorneys who have attended mediation conferences. Results from the questionnaires indicate the overwhelming success of this program, with 93% of respondents indicating that they would use the Mediation Program again. Of the 7,486 questionnaires mailed, 2,501 have been completed and returned (representing a return rate of approximately 34%). (See the following table for a summary of questionnaire responses.)

**Table 2**  
**Assessment of ADR Program by Participants**  
**Central District of California**  
**(As of December 31, 2003)**

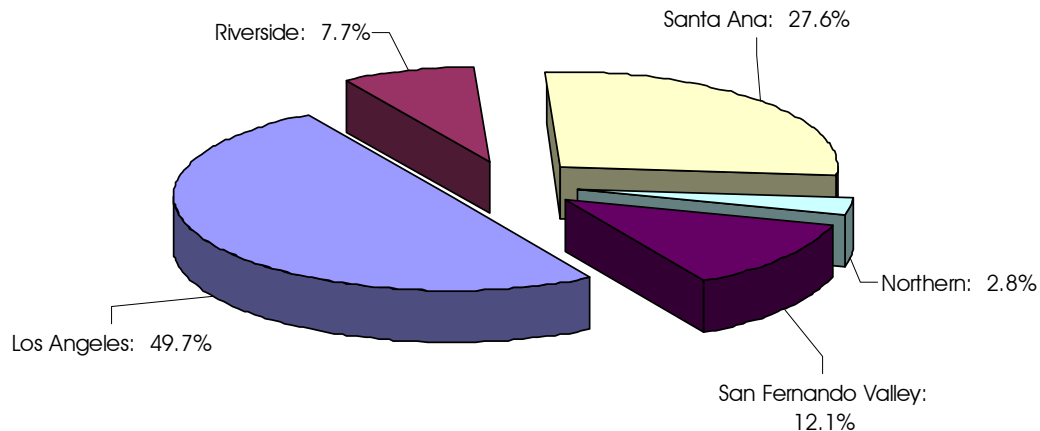
Participants Satisfied with the ADR Program	83%
Participants Who Would Use the ADR Program Again	93%
Participants Who Considered Their Settlement Fair	82%
Participants Who Believed Parties Will Comply with Settlement	87%
Participants Who Believe Mediator Was Effective in Encouraging Clients to Engage in Meaningful Negotiations	84%
Participants Who Believe Mediator Was Effective in Getting the Attorneys to Engage in Meaningful Negotiations	85%

The following charts display the matters assigned to the Mediation Program by chapter, as well as the distribution of mediation matters within the various divisions of the Court. (See Figures 1 and 2.)

**Figure 1**  
**Matters Assigned to Mediation Program by Chapter: 2003**



**Figure 2**  
**Distribution of Central District Mediation Matters: 2003**



### Required Education for Debtors Pilot Program

The Central District of California established the Required Education for Debtors (RED) pilot program to assist chapter 13 *pro se* debtors in succeeding in the bankruptcy process. The RED program was developed by the Los Angeles County Bar Association's Debtor Assistance Project (DAP), Bankruptcy Judge Vincent P. Zurzolo, Chapter 13 Trustee Nancy Curry, the Office of the U.S. Trustee, and the Court. A total of 98 cases were assigned to the RED program from its inception on October 1, 2002 through its conclusion on May 27, 2003. Judge Zurzolo, an active and founding member of the DAP, served as the pilot judge for the RED program.

Under the RED pilot program, *pro se* debtors in chapter 13 cases assigned to Judge Zurzolo in the Los Angeles Division were served with an *Order and Notice Requiring Debtor to Appear at Required Education for Debtors Program*. The Clerk's Office enhanced its cashiering system to automatically generate this *Order and Notice* at the time a *pro se* chapter 13 case was assigned to Judge Zurzolo. As a convenience for the debtors required to attend this one-hour training session, the training programs took place one hour prior to and in the same room as the § 341(a) meetings.

Under the training program, volunteer attorneys advised debtors of the most common pitfalls leading to dismissal of a chapter 13 case and how to avoid them. They also offered debtors free legal consultation with an attorney. The RED pilot program showed some potential for improving the *pro se* debtor's ability to successfully navigate the chapter 13 process, but some fine tuning is still necessary; however, the Court will not be continuing or expanding the program at this time due to staffing and budgetary shortages.

### New Local Reaffirmation Agreement Forms Protect Debtors

New mandatory *Reaffirmation Agreement* forms were added to the Local Bankruptcy Rules forms and introduced in May 2003. These four Local Bankruptcy Rules forms are numbered F 4008-1.1 through F 4008-1.4 and are available on the Court's web site in fillable format. The Court's *Pro Se* Committee developed the *Reaffirmation Agreement* forms in an effort to educate debtors, especially *pro se* debtors, of their rights in the reaffirmation agreement process. The Court further protects *pro se* debtors in the reaffirmation agreement process by requiring them to attend a hearing. In addition to information required by the national versions of these forms, the new forms require detailed information about the debt being affirmed to assist judges in making findings.

### Debtor Assistance Project Volunteers Recognized

On September 25, 2003, the Los Angeles County Bar Association and the Debtor Assistance Project (DAP) held their Annual *Pro Bono* Bankruptcy Recognition Awards Presentation at the Los Angeles Division to thank attorneys who volunteered their assistance during the year. A total of 97 *pro bono* attorneys were recognized at this special luncheon; and three *pro bono* attorneys - Catherine Bauer, Marsha Galinsky, and Jeffrey Wishman - received the *Honorable William J. Lasarow Award for Outstanding Service* for their volunteer efforts. The DAP assisted qualifying *pro se* debtors this past year in the Los Angeles and San Fernando Valley divisions. (See *All Divisions Provide Pro Bono Programs*, below)

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**From Left:  
Marsha Galinsky, Jeffrey Wishman,  
Catherine Bauer**

### All Divisions Provide *Pro Bono* Programs

#### Los Angeles and San Fernando Valley Divisions

Serving *pro se* debtors in Los Angeles County, Public Counsel Law Center is the nation's largest *pro bono* law firm. Public Counsel is the public interest law firm of the Los Angeles County and Beverly Hills Bar Associations, as well as the Southern California affiliate of the Lawyer's Committee for Civil Rights Under Law. Public Counsel provides qualified *pro se* debtors with legal support in the preparation of chapter 7 bankruptcy petitions, non-dischargeability adversary proceedings, reaffirmation agreements, and other bankruptcy-related matters, such as responding to inquiries about the bankruptcy process.

#### Riverside Division

The Riverside Division's *pro bono* program has operated in conjunction with the Public Service Law Corporation since early 2001. This program offers assistance to *pro se* debtors in adversary proceedings.

#### Santa Ana Division

In November 1999, the Orange County Bar Association, the Orange County Bankruptcy Forum, the Orange County Public Law Center, and the Santa Ana Division judges and Clerk's Office established a Chapter 7 Debtor Counseling Clinic and Reaffirmation Clinic to assist low income *pro se* debtors. The Counseling Clinic convenes twice per month, while the Reaffirmation Clinic is held once per month. These clinics provide counseling for individuals who could not otherwise afford legal assistance.

#### Northern Division

Participation in the Northern Division's *pro bono* program expanded in 2003 to include six local attorneys who rotate attendance at monthly reaffirmation agreement hearings held specifically for *pro se* debtors. This program has been reported to be very successful, with approximately 80% of *pro se* debtors taking advantage of the counseling offered by these attorneys before appearing for their hearings.



**Table 3**  
**Central District of California Bankruptcy Court Pro Bono Programs: 2003**

Division	Date Program Introduced	Debtors Offered Dischargeability Assistance	Debtors Provided with Dischargeability Representation	Debtors Offered Reaffirmation Agreement Assistance	Debtors Provided Reaffirmation Agreement Assistance
Los Angeles	Oct-97	1,015	128	455	600*
San Fernando Valley	Oct-97	47		157	
Riverside	Apr-01	0	0	N/A	N/A
Santa Ana	Nov-99	N/A	N/A	113	72
Northern	Sep-00	N/A	N/A	553	41
<b>Total</b>		1,062	128	778	714

\*includes both co-debtors if jointly filed

### Revision of Local Bankruptcy Rules and Court Forms Completed

A number of changes to the *Local Bankruptcy Rules* took effect on May 1, 2003. Local Bankruptcy Rules 1002-4, 3015-1, 4008-1, 6004-1, 9013-1, 9020-1, and 9075-1 were revised. Local Bankruptcy Rule 3015-1, the Court's chapter 13 procedures, was the most extensively revised of the Rules. The *Rights and Responsibilities Agreement Between Chapter 13 Debtors and Their Attorneys* (Form F 3015-1.7), known as the "RARA," was introduced in this revision (see *Chapter 13 Fee Guidelines/Rights and Responsibilities Agreement Take Effect*, page 22). Local Bankruptcy Rule 3015-1 also changed the way chapter 13 debtors make their postpetition/preconfirmation mortgage payments, requiring them to be sent directly to the lender instead of to the chapter 13 trustee.

In addition to the revisions to the *Local Bankruptcy Rules*, nine new Local Bankruptcy Rules forms became mandatory. Four of the forms pertain to chapter 13 cases, four forms are related to Reaffirmation Agreements, and one form deals with cases under section 304 (see *New Local Reaffirmation Agreement Forms Protect Debtors*, page 19). An additional appendix, Appendix IV, *Guidelines for Allowance of Attorneys' Fees in Chapter 13 Cases*, was added to the *Local Bankruptcy Rules*.

Changes to the *Local Bankruptcy Rules* and forms are developed by the Court's Rules Committee, and approved by the Board of Judges. Final approval is then granted by the United States District Court. The 2002 Rules Committee, comprised of Judges Ellen Carroll (Chair), Alan M. Ahart, James N. Barr, and Sheri Bluebond, completed this set of revisions.

### Judicial Performance Survey Goes Online

Beginning in 2002, the Court began conducting individual *Judicial Performance Surveys* for judges who were interested in participating. Paper surveys for Judges Thomas B. Donovan and Ellen Carroll were sent to attorneys, who mailed the completed surveys back to the Court. Survey responses were then manually tabulated. The survey process changed in May 2003, when the Court created an automated version of the paper survey and, using a cost-efficient web-based service specializing in electronic surveying and data management, conducted its survey for Judge John E. Ryan. Subsequent surveys were conducted for Judges Meredith A. Jury, Geraldine Mund, Ernest M. Robles, and Erithe A. Smith. The surveys were transmitted to attorneys through e-mail, thereby saving considerable labor associated with preparing the surveys for mailing. The online survey provided respondents with secure, professional, user-friendly screens, and was less time consuming for survey respondents than previously distributed manual surveys. The average response rate for the online survey was somewhat higher than prior surveys distributed via traditional mail.

### Judges Attend Global Insolvency Conference

In May 2003, several judges and Executive Officer/Clerk of Court Jon D. Ceretto attended a Global Insolvency Conference hosted by The World Bank at Pepperdine University in Malibu. Chief Judge Barry Russell and Judge Mitchel R. Goldberg were among the presenters at a mediation workshop, and Judge Samuel L. Bufford chaired a panel discussion on cross-border insolvencies. Approximately 100 foreign judges visited the Los Angeles Division, and an additional 12 foreign judges visited the San Fernando Valley Division for tours of the respective courthouses. The visiting judges attended hearings presided over by Judges Samuel L. Bufford, Geraldine Mund, and Ernest M. Robles. In the Los Angeles Division, Executive Officer/Clerk of Court Jon D. Ceretto and various members of the Clerk's Office senior staff gave the visiting judges tours of the Clerk's Office.

### Chapter 13 Fee Guidelines/Rights and Responsibilities Agreement Take Effect

Developed by the Chapter 13 Committee and approved by the Court in 2002, *Guidelines for Allowance of Attorneys' Fees in Chapter 13 Cases* (Guidelines) and Official Form 3015-1.7 entitled *Rights and Responsibilities Agreement Between Chapter 13 Debtors and Their Attorneys* (RARA) became effective in May 2003, when the revisions to the *Local Bankruptcy Rules* took effect (see *Revision of Local Bankruptcy Rules and Court Forms Completed*, page 21). The Guidelines, which are contained in the new Local Bankruptcy Rules Appendix IV, outline the amount attorneys may charge chapter 13 debtors without Court approval when a RARA is filed with the Court. The RARA was designed to help debtors understand their rights and responsibilities in a chapter 13 case, as well as what services their attorney must perform if this optional agreement is utilized. Once the RARA is filed, the attorney is eligible for fees of up to \$3,000 in cases where the debtor is self-employed, and \$2,500 for all other debtors, without a detailed fee application or hearing. As a convenience for the public, the Clerk's Office began imaging all RARAs filed so that these documents can be viewed online.

### Judges Active Within the International Legal Community

In four separate events in 2003, Central District judges hosted contingencies of judges from throughout the world. In May 2003, judges from more than 65 countries who attended the Global Insolvency Conference (see *Judges Attend Global Insolvency Conference*, above) toured Court facilities in the Los Angeles and San Fernando Valley divisions, and attended hearings that were simultaneously translated into French, Spanish, and Russian. Central District judges provided an overview of the Court's Mediation Program (see *Bankruptcy Mediation Program a Continued Success*, page 17) to a group from Mexico comprised of four federal bankruptcy judges and two representatives of Mexico's Institute of Insolvency Specialists, participating in a week-long bankruptcy-related program in October 2003. As part of The Open World Program, judges hosted a delegation of five Russian judges in November 2003. The judges learned about U.S. commercial and bankruptcy laws; exchanged ideas about how to best handle business law cases; and observed hearings in both the Bankruptcy and Superior Courts. In December 2003, the judges hosted six Serbian judges as part of a program sponsored by the United States Agency for International Development. The Serbian judges attended court hearings; attended a dinner meeting of the Los Angeles Bankruptcy Forum; spent a day at hearings in the Northern Division; and met with local lawyers. Both The Open World Program and the United States Agency for International Development sponsored programs aimed at extending assistance to countries engaging in democratic reforms.

### High Profile Cases Filed During 2003

A number of high profile cases were filed in the district in 2003. The unique nature, complexity, amount of time required for hearings, large volume of documents filed in these cases, and public interest associated with high profile cases significantly impact the Court. The most notable cases filed in 2003 include:

- On May 20, 2003, Strouds Acquisition Corporation filed a chapter 11 case in the Los Angeles Division (LA-03-23620-ER). The case has over 2,200 creditors, and the corporation estimates assets over \$27 million and liabilities of approximately \$36 million. All documents filed in the case are available online and may be viewed through webPACER.
- Sun World International, Inc. filed four related chapter 11 cases in the Riverside Division on January 30, 2003 (lead case RS-03-11370-DN). The cases are jointly administered and have over 4,450 creditors. Sun World International, Inc. has assets of approximately \$138 million and liabilities estimated to be \$121 million.
- Vista Hospital Systems, Inc. filed three related chapter 11 cases in the Riverside Division on June 10, 2003 (lead case RS-03-18901-DN). Vista Hospital Systems, Inc. has assets of approximately \$142 million, liabilities of approximately \$132 million, and over 8,200 creditors.
- Petitioning creditors filed an involuntary chapter 7 petition for Clothestime Stores, Inc. in the Santa Ana Division on June 13, 2003 (SA-03-14555-RA). An order for relief was entered in the case on July 8, 2003. There are over 3,241 creditors in the case, estimated assets of \$27 million, and estimated liabilities of \$49 million.
- On May 9, 2003, InterDent Service Corporation filed two related chapter 11 cases in the Santa Ana Division (lead case SA-03-13594-JR). The cases are jointly administered, and have over 1,460 creditors. InterDent Service Corporation has an estimated \$139 million in assets and a liability level of \$348 million.
- Spectrum Restaurant Group, Inc. filed six related chapter 11 cases in the Santa Ana Division on August 6, 2003 (lead case SA-03-15911-RA). The cases are jointly administered and have over 3,600 creditors. Spectrum Restaurant Group, Inc. has an estimated asset level of \$39 million and \$107 million in estimated liabilities.
- On December 29, 2003, Checkmate Staffing, Inc. filed seven related chapter 11 cases in the Santa Ana Division (lead case SA-03-19318-JR). Checkmate Staffing, Inc. has an estimated \$22 million in assets and \$31 million in liabilities.

### **Court's Videoconferencing Equipment Aids Judges From Outside the Central District**

Two judges from outside the Central District benefitted from the Court's videoconferencing capabilities in the Northern Division. Judge Ruggero J. Aldisert, a Senior Circuit Judge for the Third Circuit Court of Appeals, participated via videoconferencing in hearings with other circuit judges located in Philadelphia, Pennsylvania, several times during the year and participated as a presenter for a workshop sponsored by the Michigan Judicial Institute. Using the Court's videoconferencing equipment saved Judge Aldisert and his staff considerable travel time and expense.

Judge Edward F. Shea, a United States District Court Judge for the Eastern District of Washington, presided over a multi-point video deposition utilizing the Court's videoconferencing equipment. In addition to Judge Shea, the parties were in Kamloops, British Columbia, Canada, and Spokane, Washington. The Court's videoconferencing equipment allowed Judge Shea to preside over the deposition while in Santa Barbara attending a Federal Judicial Center workshop for Ninth Circuit judges.

### **Judges Active Outside the Court**

Central District of California bankruptcy judges maintained active schedules outside of the courtroom in 2003. Judges frequently lectured at law schools and legal forums, as well as wrote various law-related articles and books. Below are a few of the activities the judges were involved in during 2003:

- Participated in educational bankruptcy law programs, including programs sponsored by the Los Angeles Bankruptcy Forum and Beverly Hills Bar Association, and speaking engagements for various bar organizations.
- Presented lunch seminars for members of the bar and the public.
- Contributed to various law journals, including serving as an Associate Editor of the *American Bankruptcy Law Journal*.
- Hosted foreign judges in conjunction with federal programs and agencies, such as The Open World Program and the United States Agency for International Development.
- Served as guest lecturers at local law schools.
- Participated in an event to introduce newly-admitted members of the bar to the Bankruptcy Court.
- Conducted training sessions for incoming law clerks and externs.



# Customer Service

## **eFile Improves Customer Service**

Significant enhancements were made in 2003 to *eFile*, the Court's electronic filing system, that dramatically improved automated services available to the public. *eFile* is a convenient and easy-to-use system that is available 24 hours a day, seven days a week. This allows registered users to file documents with the Court at their convenience. *eFile* not only expedites document filing, but is integrated with court calendaring, order preparation, and noticing systems. Information from motions filed using this dynamic system automatically populates associated orders prepared using CIAO!, the Court's new calendaring and order-generating program (see *CIAO! Program Implemented District-Wide*, page 29). In early 2003, the Central District began accepting electronically submitted Motions for Relief from the Automatic Stay and complaints from registered *eFile* attorneys. The Court added the acceptance of electronically filed chapter 7 voluntary petitions later in the year. These innovations added to existing features that provide convenience for the filer, while saving them time, labor, and expense associated with the traditional paper filing method.

A primary advantage of filing a Motion for Relief from the Automatic Stay via *eFile* is that in most instances, the Court will prepare and serve the entered order for the motion, thereby eliminating the need for attorneys to lodge an original order with copies and stamped addressed envelopes. When submitting a complaint electronically, the information for the Adversary Proceeding Sheet (Form B 104) is automatically populated through the *eFile* process, thus eliminating the requirement for the filer to submit the form with the complaint. Submission of a *Summons*, *Notice of Status Conference*, and self-addressed envelope by the filer is also no longer required for an *eFile'd* complaint. When the Court processes the electronically submitted complaint, an e-mail message is sent to the filer containing a link allowing him/her to view images of the "filed" complaint, issued *Summons*, and judge's instructions (if any). These images may be printed and serve as the filer's file-stamped "conformed copy." Courtesy copy requirements are waived when filing via *eFile*, further increasing the cost savings for the filer. (See *Court Expands eFile Program*, Page 30)

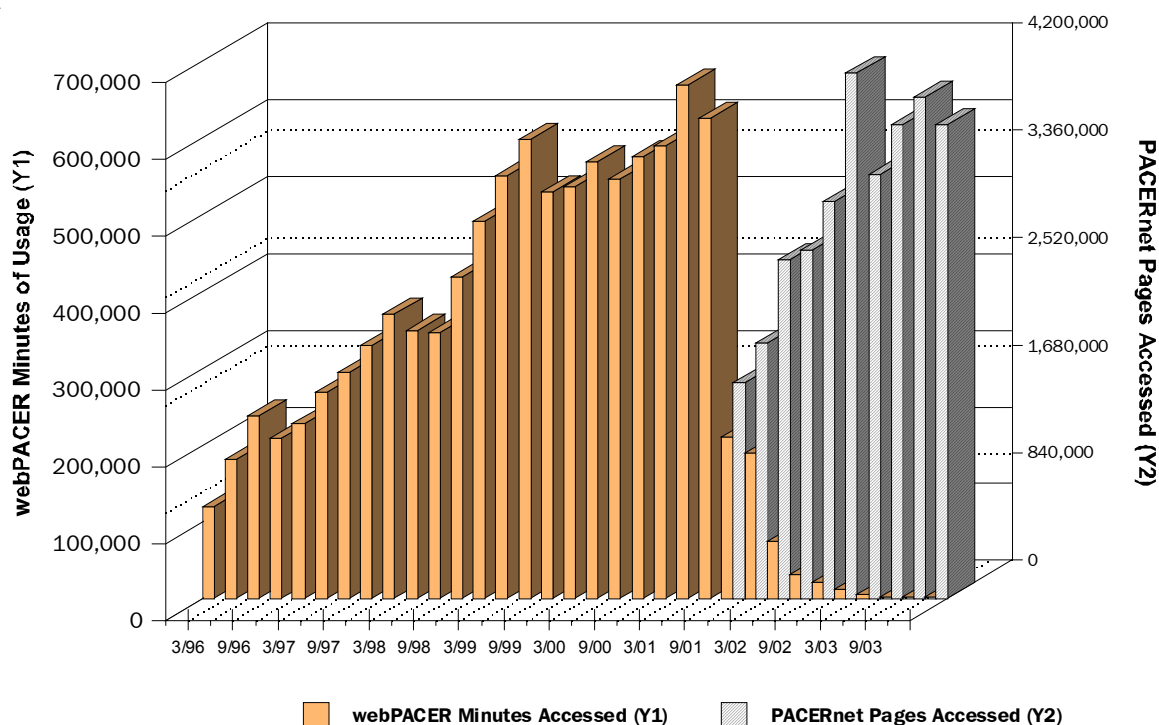
Additional customer service features of *eFile* include the *eFile* Support Center and the online procedures, information, and FAQs that are available from the Court's web site. The *eFile* Support Center provides assistance to registered users and those interested in registering to use the system. *eFile* Operations staff, who work closely with the *eFile* Support and Development staff, make visits to law firms to help attorneys and their staffs begin using the system. To ensure the integrity of Court records and information, *eFile* administrators perform a 100% quality assurance review of all electronically filed documents. These customer service features, along with the expansion of the types of documents accepted electronically, demonstrate the Court's commitment to continually improving service to the public.

## **PACERnet Usage Increases During 2003**

Public usage of PACERnet increased significantly throughout 2003. The number of pages viewed by the public through PACERnet in 2003 increased by more than 16%, when compared to the number viewed in 2002. Overall, a total of 14,615,260 pages were viewed during 2003, compared to the 12,564,202 pages viewed in 2002. Introduced in July 2001, PACERnet provides Internet access to the Court's online case file system and offers greater functionality than webPACER. webPACER, the case access dial-up system, is approaching obsolescence and is currently intended only as a back-up system to PACERnet. The PACERnet system offers users less expensive access to online case files, charging users \$.07 per page, while webPACER charges \$.60 per minute.



**Figure 3**  
**United States Bankruptcy Court - Central District of California**  
**PACERnet vs. webPACER Utilization**



### Customer Service Advances with Paperless Chapter 7 Case Files

The Court advanced its customer service efforts in 2003 with the introduction of the "paperless" case files for all chapter 7 no-asset cases. The Court began maintaining case files for chapter 7 no-asset cases filed on or after October 1, 2003, in electronic format only. All documents filed in such cases are now available online in electronic format. Chapter 7 asset cases and chapter 13 cases are anticipated to go paperless in 2004. In addition, electronic images of all *Requests for Special Notice* filed with the Court, regardless of case chapter, became available as of October 15, 2003. Electronic case files result in greater convenience and improved accessibility to case information for the public. Online case files also save labor for the Clerk's Office by eliminating tasks such as filing and interfiling documents, retrieving case files from the shelves, and maintaining and archiving case files.

In recent years, the Court has made it a priority to provide the public with greater online access to case files. To accomplish this goal, the Court began imaging the bankruptcy case documents most requested by the public and providing access to the documents through the Court's PACER system. The system enables the public to review and print online case file documents 24 hours a day, seven days a week from any computer with Internet access, and continues to be the method for viewing online case documents and files. In 2003, the Court added electronic images of over 2,000,000 documents to its online case files.

Online case file automation is integrated into the Court's existing case management and electronic filing systems, as well as its newly developed CIAO! program (see *CIAO! Program Implemented District-Wide*, page 29). High-speed imaging equipment is used to scan case documents, and bar-coded cover sheets link each image to the appropriate online case file. Before being made available to the public, imaged documents are quality controlled for legibility and to ensure that they are linked to the appropriate case and docket entry.

### Drop Boxes Provide Convenience

Nearly 100,000 documents were filed using drop boxes in the Los Angeles and San Fernando Valley divisions during 2003. Drop boxes enable the public to avoid waiting in line at Intake and still receive a conformed "filed" stamped copy of their document. The Clerk's Office also benefits from being able to process drop box filings during non-peak hours.

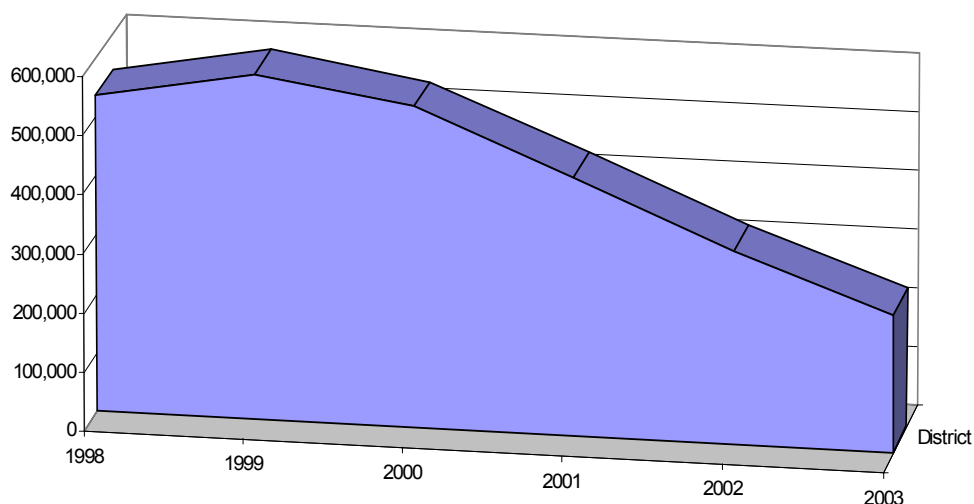
### Voice Case Information System Provides Basic Information

The Voice Case Information System (VCIS) is an automated service providing basic bankruptcy case information free of charge through the use of a touch-tone telephone. The Court provides easy to use electronic alternatives, such as PACER, to access a great deal more case information than is available from VCIS. As a result, public usage of VCIS has steadily declined over the last several years. During 2003, an estimated 234,000 calls were made to the system, a 28% decrease from the previous year when an estimated 327,000 calls were placed. (See Table 4 below.) Despite the drop in VCIS usage, the Court continues to provide the service for those who do not have Internet access.

**Table 4**  
**Estimated Voice Case Information System (VCIS) Usage: 2002-2003**

Division	Total Calls 2002	Total Calls 2003	Number Change	Percent Change
Los Angeles	159,000	119,000	(40,000)	-25%
Riverside	51,000	30,000	(21,000)	-41%
Santa Ana	45,000	29,500	(15,500)	-34%
Northern	21,000	15,500	(5,500)	-26%
San Fernando Valley	51,000	40,000	(11,000)	-22%
District Total	327,000	234,000	(93,000)	-28%

**Figure 4**  
**VCIS Call Volume: 1998-2003**



### **Court News Publication Commences**

The Court began bi-monthly publication of *Court News* in July 2003. Available on the Court's web site under **Publications**, this newsletter is geared primarily toward attorneys and other bankruptcy professionals, and provides topical information about the Court. Articles explaining the advantages of using *eFile*, information about the Judicial Conference privacy policy, up-to-date statistical information, and other information were featured in issues published in 2003. The electronic version of the publication contains links to relevant items on the Court's and other web sites.

### **Desk Reference Manual Revised and Updated**

The Clerk's Office completed an extensive revision of the *Desk Reference Manual* in November 2003. The manual was updated and reorganized to eliminate redundant sections and to present information in a more comprehensive and accessible format. Many new topics and appendices were added, and a new Court Technology section was created that includes information about the Court's electronic filing system (*eFile*). Additional new topics include Video Conferencing, Hearing Information, Language/Sign Language Interpreters, the Policy for Reopening a Case, information about the Judicial Conference privacy policy, and the November 1, 2003 fee changes. All information, including telephone numbers and addresses, was updated and verified. While more information is now included, the size of the manual was reduced by approximately 30%. The *Desk Reference Manual* is available at no cost on the Court's web site and is also available for purchase in each division.

### **Court's On-Site Copy Service Contracts Awarded**

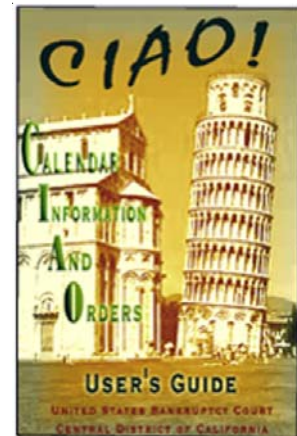
The Court awarded new on-site copy service contracts for each division in the district to the prior vendor, JNS Copy Service (JNS). The contracts took effect October 1, 2003. As a result of the new two-year contracts, the copy charges for the public remained the same in three divisions, while they increased slightly in the other two divisions. The Clerk's Office was responsible for soliciting the bids and awarding the contracts in accordance with the decentralized procedure of the Administrative Office of the United States Courts.

# Technology

The Clerk's Office expanded its existing systems and implemented new technology solutions to improve the efficiency of Court operations and convenience for the public by increasing access to Court records and information.

## CIAO! Program Implemented District-Wide

The Court developed and implemented a Windows-based calendaring and order-generating system to replace existing programs, including its Court Calendar Program (CCP). The new application, *Calendar Information and Orders* (CIAO!), is integrated with the Court's electronic filing system (eFile), and enables electronically filed motions to be automatically placed onto the judge's calendar and the resulting orders to be served through the Bankruptcy Noticing Center (i.e., BNC - an outside contractor who has entered into an agreement to handle the noticing for the judiciary). Orders entered in CIAO! are simultaneously docketed to the Court's case management system and an electronic image is automatically created, which can be viewed using PACER. The electronic service of conformed copies of orders is an efficient and cost-effective process for all parties, including Court staff, as it eliminates the manual conforming of the order and mailing process. The Clerk's Office also modified the software for the public kiosks to work with CIAO!, thereby providing improved calendar information.



The Clerk's Office incorporated many innovative features into CIAO! that were not available in CCP. These enhancements increased the efficiency of operations for both chambers and the Clerk's Office. New functions available in CIAO! include:

- Automatic service via the BNC of conformed copies of orders on electronically filed motions to all parties on the service list.
- Ability to use a mouse to navigate through the program.
- Flexibility to bold, underline, italicize, or change the font used.
- Each adversary matter is placed on the calendar separately, rather than grouped together by the main case number.
- Ability to search the calendar by adversary proceeding number.
- Automatic display of the number of hearings scheduled per hour per day and the capability to view the number of matters removed from the calendar for a particular day.
- Capacity to view case information while entering calendar notes and improved viewing capability of calendar notes.
- Access to a visual pull-down calendar from the "hearing detail" screen that can be used to verify the accuracy of hearing dates on pleadings.

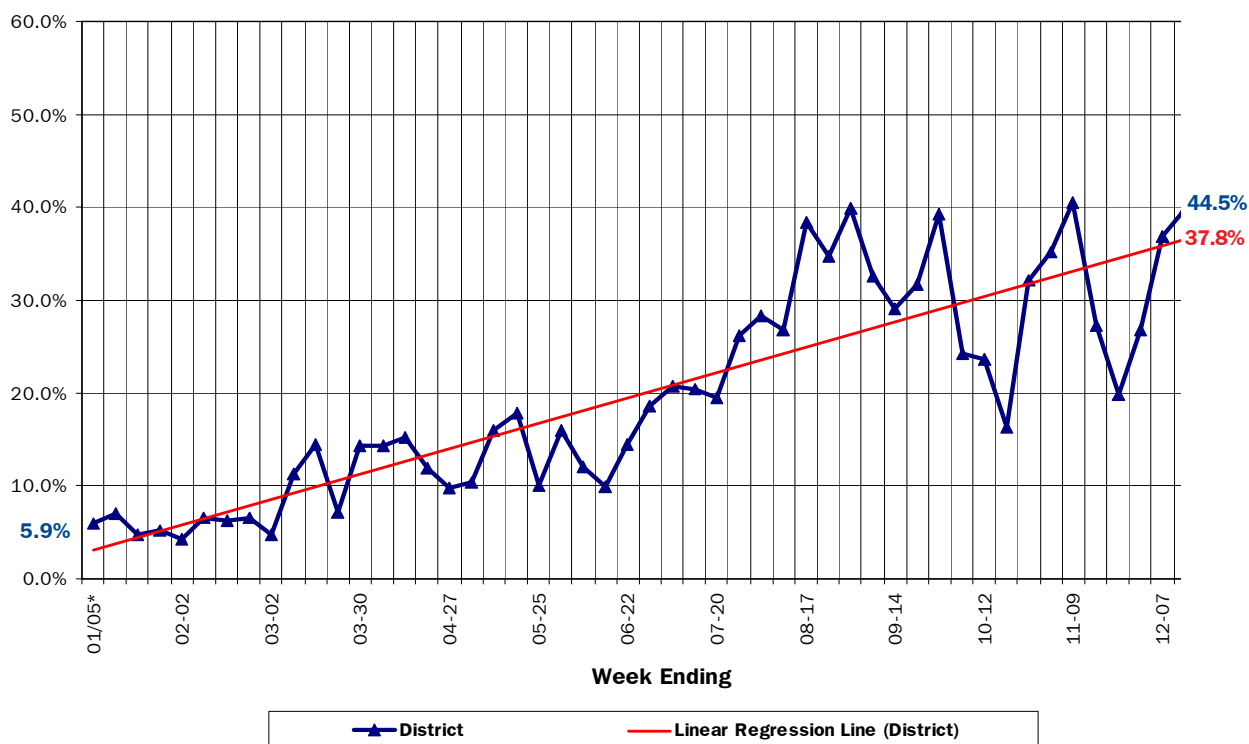


### Court Expands eFile Program

Developed by the Court and introduced in 2002, *eFile*, the Court's electronic filing system that enables registered users to file documents from their computers via the Internet, was expanded in 2003 to accept the filing of complaints and chapter 7 petitions. The program initially limited filings to Motions for Relief from the Automatic Stay. The Court received its first electronically filed petition on August 18, 2003, when it began a pilot program for chapter 7 petitions in the Los Angeles and Riverside divisions. On December 4, 2003, the Court began accepting chapter 7 petitions district-wide from all registered attorneys. Through December 31, 2003, registered attorneys filed a total of 773 petitions through *eFile*.

# eFile

**Figure 5**  
**Percent of Total Relief From Stay Motions Filed via eFile**  
**Central District of California 2003**



Since the inception of the *eFile* program through December 31, 2003, 3,018 Motions for Relief from the Automatic Stay and 2,506 complaints have been filed through *eFile*. Through December 31, 2003, 450 attorneys have registered for *eFile*, and all 50 panel trustees for the Central District are now registered. To increase public acceptance of *eFile*, the Court provided demonstrations throughout the year to various law firms, trustees, and the Office of the U.S. Trustee. The advantages of using *eFile* continue to be time and labor savings, as well as convenience for the filer. (See *eFile Improves Customer Service*, page 25.)



### Digital Court Recording System Implementation Begun

Continuing to use technology to provide enhanced service to the public and to improve the efficiency of Court operations, the Court began replacing existing analog tape recording equipment with digital court recording equipment in all courtrooms throughout the district. The digital technology provides increased reliability and eliminates frequent tape malfunctions and failures that occur with the old analog recording machines. The new computer-based system allows Court staff to take electronic log notes with more detail, speed, and improved legibility than with manual notes. Hard copies of the notes can be printed for judicial review as required. Recordings are stored on compact discs (CDs) for superior sound quality and clarity, convenient access, and improved storage life. For any hearing recorded digitally, the audio recordings can be produced in one of three formats, depending upon the listener's preference and whether the recording will be played on a personal computer or regular audio CD player. Courtroom proceedings saved in digital format are stored on the Court's computer network and can be accessed directly from chambers without the need to request a hearing tape from the Clerk's Office. Use of the new equipment began in the San Fernando Valley Division on December 8, 2003, and is expected to be implemented district-wide by the middle of 2004.

In connection with the implementation of the digital recording system, the Clerk's Office developed a comprehensive training and certification program for Courtroom Services staff, which began in February 2004. The Court selected qualified staff from each division to attend a two-day training certification class to qualify as trainers for the program. A developer from FTR Gold, the digital recording software vendor, conducted this training. In addition to training staff, certified trainers will assist with training chambers staff and will serve as the designated "go to" person in their division. Selected Courtroom Services Clerks will be required to become certified in the digital recording skills. They will be required to attend a training session and practice their new skills during "lab" time, successfully pass a written evaluation, perform satisfactorily during a practical demonstration, as well as successfully complete 30 hours of recording in the courtroom. This extensive training and certification program will ensure that highly skilled Court staff are continually available to perform the duties associated with digital recording and that the court record is properly preserved.

### Permanent Data Archiving System Developed

The Court created the Permanent Archive System (PAS) for storing electronic docket and image data. The application creates a library of digital versatile discs (DVDs) by transferring electronic case data and images from a server onto DVDs. Programming staff developed the application in response to the need for permanent and practical long-term data storage. The public will be able to view case information stored on DVDs using computers located in the public areas of the lobbies of the Clerk's Office.

### Cost Saving Software Introduced to Create File Folder Labels

With the introduction of electronic chapter 7 case files in 2003 (see *Customer Service Advances with Paperless Chapter 7 Case Files*, page 26), the Court purchased software used to print color case number and bar code labels that are placed on inexpensive generic file folders. Beginning with cases filed in January 2004, the Court ceased purchasing pre-numbered file folders. Instead, the Court uses the automated program to create file folders as needed. The file folder label-generating software enables the Court to realize significant cost savings.

### **CM/ECF Conversion Work Begins**

The Court began preparing for its migration to the national Case Management/Electronic Case Files (CM/ECF) system in 2003. Developed by the Administrative Office, CM/ECF is a browser-based automated case management system with an electronic filing component, and will eventually replace NIBS, the Court's current case management system. During 2003, the Clerk's Office initiated an analysis of the Court's automated systems and current processes, including its many automated productivity enhancements. An assessment of CM/ECF functionality is also being conducted in order to determine if it will be necessary to either rewrite existing Court programs or develop new applications to integrate with CM/ECF. The Court is scheduled to convert to CM/ECF in 2005.

### **ZENworks Installed to Enable Remote Software Upgrades in Time Saving Measure**

ZENworks, software from Novell that enables the remote upgrade and installation of software on networked computers, was installed in the Los Angeles, Riverside, Santa Ana, and San Fernando Valley divisions in 2003. Installation in the Northern Division is scheduled for early 2004. ZENworks enables network administrators to remotely deploy applications, provide support, and inventory hardware and software to each networked computer. This allows for efficient, centralized management by eliminating the need for technical staff to visit each and every computer to complete a software installation or upgrade, or to determine what hardware or software has been installed. ZENworks is especially useful in the remote installation of security patches, ultimately reducing the spread of viruses and the cost of managing the Court's computer networks. Down time and other inconveniences to computer users also have been reduced using ZENworks. The success and labor savings of ZENworks was demonstrated when the Court upgraded its Lotus Notes e-mail system in January 2004. The upgrade of the entire Los Angeles Division was performed by only two IT staff members using ZENworks. The work was performed in the background without disruption to users and was completed in two days. This was in marked contrast to the earlier rollout of the prior Lotus Notes version, which took approximately five days to complete and involved nearly the entire IT staff,

### **Court Purchases DVD Equipment to Facilitate Training and Presentation**

The Court purchased DVD recorders and players for each division to record Federal Judicial Television Network broadcasts and other training courses. Two new high powered computer systems were also purchased that enable the editing and duplicating of training DVDs, as well as converting older VHS tapes into DVD format for expanded use by staff. The new systems allow the Court to receive video input from various media sources (e.g., camcorders), and produce professional business presentations. DVDs expand the delivery of training to a wider audience, as DVDs can be individually viewed on workstation PCs or laptops equipped with DVD readers, as well as in a classroom setting on traditional DVD players connected to a television or video monitor.

### **Court Continues to Enhance Case Management Automation**

Automation enhancements have been a key element in helping the Court become one of the most efficient bankruptcy courts in the nation (see *Court Maintains Excellent National Ranking for Fifth Consecutive Year*, page 34). During 2003, the Clerk's Office continued to develop and introduce enhancements to its case management automation. Among them are:

Automatic Recusal from Cases Filed by Specific Attorneys

Clerk's Office programming staff modified the Court's Intake Cashiering System (ICS) in January 2003 to enable judges to recuse themselves, with cause, from cases filed by specific attorneys. This automatic recusal process eliminated the need for an individual order of recusal to be prepared and entered, and the need to reassign cases from which judges have recused themselves. This advancement saved both labor and processing time for judges, chambers staff, and Clerk's Office staff.

Upgrade to Internet BNC

After a pilot period in the Los Angeles Division, the Court completed a district-wide upgrade from a modem-based data transmission method to an Internet-based system in July 2003. This upgrade enabled the Bankruptcy Noticing Center (BNC) to electronically transmit PDF images of notices to the Court in lieu of printed notices, thereby saving substantial staff time previously required to manually file stamp, scan, and file printed notices. The electronically transmitted notices are now automatically entered on the Court docket, and an image of the notice can immediately be viewed and/or printed through PACER. Internet BNC reduced the amount of time it previously took for images of such notices to be made available for viewing from approximately four days to an average of two days, or a 50% improvement. This enhancement was essential for the implementation of BNC service of court-generated orders using CIAO!, which was also developed and implemented in 2003. (See *CIAO! Program Implemented District-Wide*, page 29.)

Ability to Identify Debtors With Prior Discharges

As a result of another enhancement in March 2003, ICS now provides cashiers with an alert message when a new petition is filed by a debtor who has received a discharge within the past six years. This improvement also identifies debtors who already have a bankruptcy case pending at the time a new petition is filed. Reports listing prior discharges and pending bankruptcy cases can be printed to ensure that all such instances are handled properly.

Auto-Discharge Program Enhanced

In February 2003, the Clerk's Office added the docket code used for docketing the § 341(a) meeting notice in NIBS to the discharge criteria used by the auto-discharge program. If this docket code is not found on the case docket, the case appears on the exception report and is not automatically discharged. This new program criteria ensures that cases are properly discharged, reducing the need to vacate a discharge issued in error, and that the Court sends notice of each § 341(a) meeting as required by the *Federal Rules of Bankruptcy Procedure*.

Time-to-Image Program Improved

With the elimination of paper files for chapter 7 no-asset cases (see *Customer Service Advances with Paperless Chapter 7 Case Files*, page 26), the Court's time-to-image program was modified in September 2003 to identify an expanded range of documents that have been docketed, but do not have a corresponding image ("missing image"). Another modification to the application identifies "missing images" when a case converts from another chapter to a chapter 7 no-asset case. These program changes ensure the integrity and quality of the Court's online case files.



# Case Administration

## **Court Maintains Excellent National Ranking for Fifth Consecutive Year**

The *Bankruptcy Program Indicators* for the 12 months ending September 30, 2003, show that the Court continued to rank third among 90 bankruptcy court districts nationally, and ranked second among large courts (20,000 or more filings per year). The Court improved its national rank in the administration of chapter 7 cases, and maintained its rankings in the processing of chapters 11 and 13 cases. The District's performance exceeded the national average in 14 of the 16 case processing measures. Since the inception of the *Bankruptcy Program Indicators* in 1999, the Court has ranked in the top three courts. The downward trend in the Court's case filings has increased the average age of the District's caseload, making this ranking all the more remarkable. (See *Pending Caseload Continues to Decrease*, page 35.)

## **Judicial Conference Privacy Policy Implemented**

After months of analysis and preparation, the Court made extensive modifications to numerous court forms and automated systems in order to comply with the Judicial Conference policy on privacy and access to electronic case files. The new policy was implemented on December 1, 2003, when amendments to the *Federal Rules of Bankruptcy Procedure* took effect. The amendments and privacy policy significantly impacted the way the Court collects the debtor's Social Security number, court forms and notices, the display of Social Security numbers in the Court's automated systems, and filing parties' use of "personal identifiers." "Personal identifiers" include Social Security numbers, financial account numbers, dates of birth, and the names of minor children. Mandatory training for Case Initiation and Courtroom Services staff about the new policy was conducted by a team comprised of members from the Santa Ana and San Fernando Valley divisions. In order to increase public awareness about the changes, the Court distributed information through its web site, the *Court News*, a public notice, and in meetings with bar groups.

## **Procedures for Tracking and Collecting Sanctions and Fines Improved**

The Financial Services Department improved upon district-wide reporting of accounts receivable related to sanctions and § 110 fines. The new reporting, which debuted with accounts receivable information as of June 2003, is now prepared monthly, instead of quarterly. In addition to the increased frequency of the reports, aging categories for the pending fines are more clearly delineated. Another significant change in this area occurred in 2003, when the Office of the U.S. Trustee assigned one of its attorneys to assist the U.S. Attorney's Office in its efforts to pursue outstanding sanctions and fines. The Financial Services Department now provides a quarterly report to the U.S. Trustee detailing each open sanction/fine that has been referred to the U.S. Attorney's Office for collection. It is anticipated that this cooperative effort will result in an increased collection rate for these accounts receivable. Increased collections have already been demonstrated in the Riverside Division where the dollar amount of pending sanctions/fines was reduced by nearly 15% in 2003. The Court tracks and monitors the payment of sanctions and fines through its automated case management system (NIBS) and follows procedures previously developed for this purpose.

### Pending Caseload Continues to Decrease

As of December 31, 2003, there were 37,553 pending bankruptcy cases. This figure represents a 14.1% decrease from the 43,713 pending cases at the end of 2002. However, the number of pending adversary proceedings increased by 26.8% during 2003. This is the second consecutive year that the number of pending adversary proceedings has increased by more than 25% in one year. The large increase in 2003 is attributed to an unusually high volume of adversary proceedings (1,709) filed in November and December 2003 in two of the Court's large cases.

Although the number of pending cases dropped, the age of the pending caseload has improved. Compared to 1995, the Court now has remarkably fewer cases that have been open for more than six years. Since 1995 (the first year for which information is available), the Court has made significant reductions in the percentage of older cases that remain pending. (See Table 5, below.) In recent years, the Clerk's Office has made the closing of cases pending over three years a priority.

**Table 5**  
**Central District of California - Bankruptcy Court**  
**Analysis of Pending Case Aging: 1995 vs. 2003**

	Pending Case Aging Category	12/31/1995	12/31/2003	Percent Change
Chapter 7	Percent 4 Months or Less	56.4%	79.4%	40.8%
	Percent Over 6 Years	4.7%	1.7%	-63.8%
Chapter 11	Percent Over 6 Years	18.5%	7.5%	-59.5%
Chapter 13	Percent 3 Years or Less	82.2%	82.7%	0.6%
	Percent Over 5 Years	5.0%	2.1%	-58.0%
Adversary Proceedings	Percent One Year or Less	64.2%	78.8%	22.7%
	Percent Over 3 Years	13.9%	2.2%	-84.2%

### Clerk's Office Maintains Excellent Performance in Areas of Docketing and Imaging

To foster efficient case processing and improved availability of case information to the public, the Clerk's Office monitors the time it takes to enter a document on the bankruptcy case or adversary proceeding docket from the day it is filed with the Court. During 2003, the Court continued its excellent docketing performance by entering 91% of all items on the docket within one day of filing. This represents a slight improvement over the excellent performance in 2002, in which 90.5% of all items were docketed within one day of filing. The Court also had a high percentage of items imaged within one day of being entered on the docket in 2003. Through December 2003, 92.9% of all items throughout the district were imaged within one day of filing, which is an improvement from the 92% of items imaged within one day of filing in 2002. This fast turnaround time provides the public with quicker access to case information, and significantly contributes to the public acceptance of the Court's online case files.



### Scanning/Imaging Stations Relocated for Increased Efficiency

Both high-volume scanning/imaging stations in the Los Angeles Division were relocated in September 2003 to improve workflow, reduce the amount of time spent routing documents, and enhance productivity. The scanning/imaging station in the Federal Building was moved from Records to Intake so the imaging of new petitions could be performed closer to the filing windows. The new location is more convenient and eliminated time previously spent traveling back and forth from the Intake area to Records when documents needed to be rescanned. The relocation occurred when the Clerk's Office began scanning all documents filed in chapter 7 no-asset cases when paper case files for such cases were replaced by electronic case files. (See *Customer Service Advances with Paperless Chapter 7 Case Files*, page 26.)

In June 2003, the scanning/imaging station in Courtroom Services was relocated on the ninth floor in the Edward R. Roybal Federal Building and Courthouse to create a larger work area and a more functional furniture layout. Two high-volume scanners fit into the new space, which is an improvement from the smaller scanning/imaging area where only one machine could be used due to space constraints. The raised counter surfaces and higher chairs in the new area are more ergonomically appropriate for the scanning/imaging work process, and have increased productivity. These changes improved the overall efficiency of the scanning/imaging process. (See *Improvements Made to Facilities Throughout the District*, page 45.)

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Scanning/Imaging Station

# Human Resources

## "Clerk's Currency" Program Unveiled

Consistent with the Administrative Office for the United States Court's guidance on employee recognition programs, the Clerk's Office implemented "Clerk's Currency," an employee recognition program that replaced the Employee of the Month award. The program was designed to reward non-supervisory employees spontaneously and informally when they perform a noteworthy act or service. "Clerk's Currency" is issued in one, two, five, and ten "buck" denominations and can be redeemed on the Court's internal web site for various items, such as unique office supplies. "Currency" can be accumulated to purchase higher priced items. Employees are allowed to transfer "Clerk's Currency" they have been awarded to other co-workers as a recognition of exemplary work. Another component of the "Clerk's Currency" program are the Special Recognition Ceremonies held in each division. Deputy Clerks who have redeemed "Clerk's Currency" are eligible to receive additional awards at these ceremonies in the form of special office supplies only available through the program, and gift vouchers from several popular retail stores and restaurants.

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**Los Angeles Division**

**PHOTO NOT AVAILABLE  
FOR PUBLIC VIEWING**

**San Fernando Valley Division**

**PHOTO NOT AVAILABLE  
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**Santa Ana Division**

### Employee Performance Evaluation Automated

As part of the Court's transition to a competency-based human resources management system, human resources and technical staff developed an automated performance evaluation program in 2003. Linked to *Abra*, the Court's personnel database, the program automatically populates certain fields with employee-specific information, eliminating the need to manually look up and enter the information. The software allows supervisors to complete and submit performance evaluations online, and automatically tracks an employee's performance ratings. This automated process greatly enhances the effectiveness of the performance evaluation procedure.

### Administration Departments Restructured

To better comply with recent Administrative Office guidance regarding stewardship, internal controls, and separation of duties, the Clerk's Office restructured certain administrative departments/divisions in November 2003. Based on their job functions, staff from various administrative areas were reassigned to the new departments. The departments affected by the restructuring and their primary areas of focus are: Financial Services, which handles fiscal responsibilities, including payment processing, with an increased emphasis on documenting district-wide internal controls and conducting reviews and risk assessment; Office Services, which supports space and facilities, property management, general office services, and emergency preparedness; and Administrative Services, a new department, which supports budget, procurement, and telecommunications administration. The new organizational structure has improved accountability and integrity of all Court operations by ensuring adequate separations of duties.

### Awards Ceremonies Continue to Recognize Top Staff Performance

Once again, the Court held its annual Special Service Awards Ceremonies in each division during the week of September 8 - 12, 2003, to recognize the superior performance of Clerk's Office staff. Jon D. Ceretto, Executive Officer/Clerk of Court, opened each ceremony by recapping the many accomplishments achieved throughout the year. Chief Judge Barry Russell then extended his gratitude for the outstanding efforts and contributions made during the year. For many employees outside of the Los Angeles Division, this was their first opportunity to meet Judge Russell, nearing the end of his first year as chief judge. Judges at each division's ceremony voiced their appreciation for another successful year, and thanked everyone for their hard work and dedication. Judges who made remarks were: Judge

Mitchel R. Goldberg in Riverside, Judge John E. Ryan in Santa Ana, Judge Robin L. Riblet in Santa Barbara, and Judge Kathleen T. Lax in the San Fernando Valley. Each division's Deputy-in-Charge presented Length of Service Awards to employees based on their tenure with the Court. Chief Deputy of Operations, Michael E. Rotberg, and Chief Deputy of Administration, Kathleen J. Campbell, presented individual service awards to employees who demonstrated extraordinary commitment to service and superior performance. Those who had retired during the year were also recognized district-wide. At the conclusion of the ceremonies, a durahyde business case debossed with the Court seal was presented to each staff member as a show of gratitude for their excellent service in 2003. A reception followed each ceremony.

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**Jon D. Ceretto, Executive Officer/  
Clerk of Court**

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FOR PUBLIC VIEWING**

Los Angeles Division

**PHOTO NOT AVAILABLE  
FOR PUBLIC VIEWING**

Northern Division

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FOR PUBLIC VIEWING**

Santa Ana Division



**PHOTO NOT AVAILABLE  
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Riverside Division



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San Fernando Valley Division





# Quality Assurance/Training

## Executive Officer/Clerk Serves as Faculty Member for FJTN Program

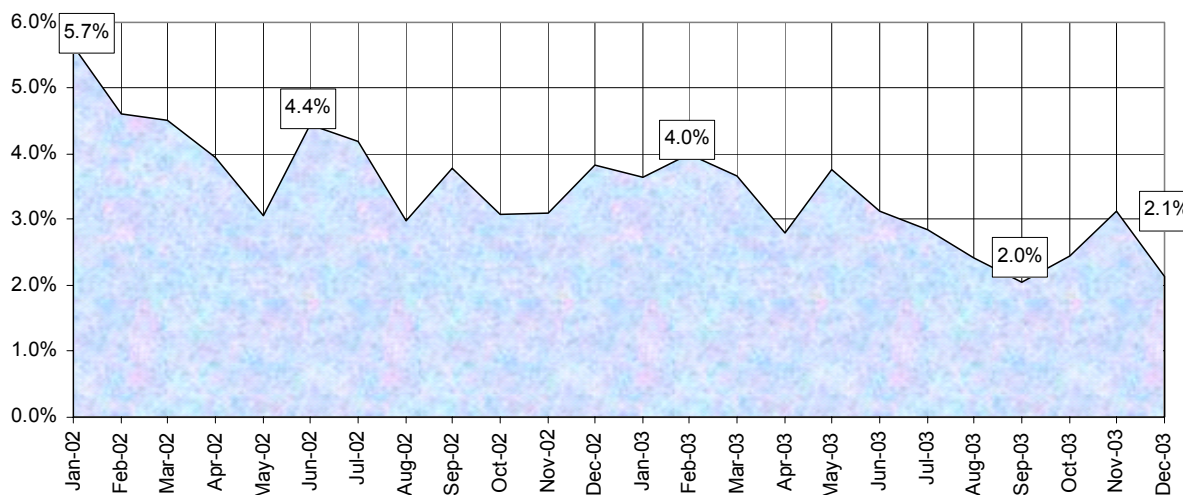
Executive Officer/Clerk of Court Jon D. Ceretto participated as a faculty member for a succession planning training program for supervisors and managers sponsored by the Federal Judicial Center in Washington, D.C. Broadcast nationwide over the Federal Judicial Television Network in October 2003, Mr. Ceretto discussed the Court's efforts in the area of succession planning, including its implementation of a competency-based human resources management system. Participation in the program is consistent with the Court's established goal of continuing to develop staff members, while enhancing their skills to improve Court operations and ultimately service to the public.

## Quality Control Efforts Continue to Show Improvement

The percentage of new petitions free from data entry errors once again improved in 2003, compared to error rates in 2002 and 2001. For 2003, 97% of all new petitions processed in the District contained no errors. This represents an improvement of approximately 23% during 2003, compared to the prior year. The error rate was 96.1% in 2002, and 95.9% in 2001.

When entering new petition data into the Intake Cashiering System (ICS), clerks must enter hundreds of characters per petition as well as identify which of the required documents are missing from the filing. The large volume and complexity of the information that must be accurately entered makes the fact that 97% of all petitions were processed without a single error impressive. Clerks immediately correct any errors that are made so that the petition data is accurate when it is made available to the public. The Court's focus on entering each petition without error was realized through an increased emphasis on training, and was the reason for the impressive reduction of errors over the past two years. This reduction in the error rate has helped the Court achieve its goal of providing high quality service to the public.

**Figure 6**  
**Central District of California Bankruptcy Court**  
**Percent of New Petitions with Data Entry Errors: 2002-2003**



### Clerk's Office Continues to Emphasize Staff Development

Throughout 2003, the Clerk's Office continued to provide staff with a variety of training opportunities to develop their skills. Training included the exchange of best practices among supervisors of all divisions. Over 8,180 hours of training in 1,523 classes were provided in 2003. (See Table 6.)

Table 6								
District - Wide Training: 2003								
Classes		Staff Participant Hours						
Name	Quantity	Total Hours	Admin	LA	RS	SA	ND	SFV
<b>AUTOMATION TRAINING</b>								
9th Circuit Technology Users Group	4	160	160	0	0	0	0	0
Administering Microsoft SQL 2000 Server Database	5	40	40	0	0	0	0	0
Adobe Acrobat	1	5	0	5	0	0	0	0
Adobe PDF Forms/Web Security	2	5	0	5	0	0	0	0
CIAOI	37	234	3.5	95.5	51	45	14	25
Color Bar Gold Training	1	10	0	0	0	0	10	0
COMDEX Computer Conference	3	48	48	0	0	0	0	0
Developing MS ASP Net Web Applications	5	200	200	0	0	0	0	0
Digital Court Recording	1	55	25	10	5	5	5	5
DVD R985 User Orientation	3	14	0	0	4	6	4	0
FAST Training	3	42	40	2	0	0	0	0
FTR Gold for the End User	2	209	18.5	30.5	12.5	6	6	135.5
Implementing & Supporting MS Windows Training	10	80	40	0	40	0	0	0
Intellitrak	8	38.5	0	0	0	0	0	38.5
JOGS - Court Staff	9	72.5	0	21.5	7.5	1	1	41.5
JOGS II Training - Special Procedures	2	5	0	5	0	0	0	0
Lotus/Lotus Notes	1	10	0	10	0	0	0	0
NetWare 5.1	4	32	0	0	0	32	0	0
PageMaker 6.5	4	16	16	0	0	0	0	0
Photoshop ( 6 & 7)	12	148	132	0	0	16	0	0
PowerPoint	1	8	8	0	0	0	0	0
Solaris Training	10	355	250	0	35	35	35	0
Visual Studio. Net	2	104	104	0	0	0	0	0
WordPerfect 10	15	122	13.5	38.5	0	70	0	0
<b>Sub-total</b>	<b>145</b>	<b>2,013.0</b>	<b>1,098.5</b>	<b>223.0</b>	<b>155.0</b>	<b>216.0</b>	<b>75.0</b>	<b>245.5</b>
<b>FJC/AO SPONSORED PROGRAMS &amp; FJTN PRESENTATIONS</b>								
9th Circuit Procurement Conference	3	198	198	0	0	0	0	0
Bankruptcy Statistical Conference	2	16	16	0	0	0	0	0
CM/ECF Training	18	196	104	92	0	0	0	0
Court Forum: Succession Planning	3	27	16.5	0	7.5	0	0	3
Court to Court - CM/ECF	1	1	0.5	0.5	0	0	0	0
FEHB Officers Open Season	1	10	10	0	0	0	0	0
Federal Court Leadership Program	4	30	0	30	0	0	0	0
Informix On-line Systems Administration	14	176	176	0	0	0	0	0
IT Focus	1	0.5	0.5	0	0	0	0	0
IT Talk	1	1	0	1	0	0	0	0
Lotus Notes Upgrade #6	1	4	3.5	0	0	0	0	0.5
Making Your Mark by Proofreading	1	4	4	0	0	0	0	0
Motivating Staff for Optimal Performance	1	6	0	6	0	0	0	0
Strategic Human Resources Planning in Austere Budget Times	2	9.5	9.5	0	0	0	0	0
Successful Benefits Planning	1	13.5	13.5	0	0	0	0	0
The Power of Collaborative Teams: Lessons from Twelve Angry Men	7	69	4.5	6	12	6	0	40.5
The Stewardship of Leave	1	4	4	0	0	0	0	0
<b>Sub-total</b>	<b>62</b>	<b>765.5</b>	<b>560.5</b>	<b>135.5</b>	<b>19.5</b>	<b>6.0</b>	<b>0.0</b>	<b>44.0</b>

**Table 6 (continued)**  
**District - Wide Training: 2003**

Classes			Staff Participant Hours					
Name	Quantity	Total Hours	Admin	LA	RS	SA	ND	SFV
<b>OTHER TRAINING</b>								
EAP Seminar	1	8	0	0	0	0	8	0
Financial Planning	3	45	33	12	0	0	0	0
Floor Warden Training	1	11	0	0	0	0	0	11
Good News Seminar	1	1	0	0	0	1	0	0
Interpersonal Skills	4	102.5	10	92.5	0	0	0	0
On-the-Job Training	1,211	3,794	12	1,687.5	1,051	650.5	120.5	272.5
Privacy Regulation Training	21	301.5	1.5	119	79.5	44.5	13.5	43.5
Responsibilities of the Federal Building Designated Officials	2	9	6	0	0	3	0	0
Retirement Seminars	2	51	39	12	0	0	0	0
Safety Programs (CPR & AED Training, Self Defense)	3	35.5	0	0	0	35.5	0	0
Supervisor Training Chapters 6 & 8 in Mediation	1	36	0	0	30	6	0	0
Team Building Class	1	40	0	0	0	40	0	0
The Team Approach	6	167	4	0	159	4	0	0
Train the Court Trainer	5	497	77	210	105	70	0	35
TSP Catch-up Lunch and Learn	8	52	5	8	12	10	5	12
Working Together	5	114	0	0	114	0	0	0
<b>Sub-total</b>	<b>1,275</b>	<b>5,264.5</b>	<b>187.5</b>	<b>2,141.0</b>	<b>1,550.5</b>	<b>864.5</b>	<b>147.0</b>	<b>374.0</b>
<b>Total</b>	<b>1,482</b>	<b>8,043.0</b>	<b>1,846.5</b>	<b>2,499.5</b>	<b>1,725.0</b>	<b>1,086.5</b>	<b>222.0</b>	<b>663.5</b>

**Judges District-Wide 2003**

Name	Quantity	Total Hours	LA	RS	SA	ND	SFV
CIAO!	27	87	41	26.5	13.5	2	4
JOGS	4	23.5	1	3	0	0	19.5
Other	10	30.5	22.5	0	2	2	4
<b>Total</b>	<b>41</b>	<b>141.0</b>	<b>64.5</b>	<b>29.5</b>	<b>15.5</b>	<b>4.0</b>	<b>27.5</b>

# Facilities/Emergency Procedures

## District-Wide Security and Emergency Preparedness Enhanced

The Court continued to be proactive in building security and emergency preparedness activities throughout the district in 2003. Although previously established, divisional Building Security Committees continued to focus on location specific security and emergency preparedness issues. These committees are comprised of judges, Clerk's Office management, Federal law enforcement agencies, and representatives of other agencies in joint-use buildings. During the year, all divisional offices participated in Building Security Committee meetings and evacuation drills. The Committees coordinated these activities in conjunction with various other agencies, such as the U.S. Federal Protective Service, U.S. Marshals Service, and local Court Security Officers. The successful evacuation drills in each division streamlined the evacuation process and helped ensure safety in moving evacuees to designated "safe areas." In addition to these activities, an updated *Occupant Emergency Plan* was distributed for the Federal Building in Los Angeles, CPR and defibrillator use training was held, a self-defense training class was offered to Clerk's Office staff members, and a discussion of the national security code system was presented.

## New Meeting/Lunch Room Opened

A new meeting/lunch room opened in July 2003 on the ninth floor of the Edward R. Roybal Federal Building in Los Angeles to replace the employee lunch room previously located on the tenth floor. The tenth floor lunch room was converted into additional staff office space as part of the Court's effort to locate related administration departments on the same floor to increase interactional efficiency among them (see *Chief Deputies' Offices Relocated*, page 45). The decor in the spacious room was inspired by two local universities, the University of California at Los Angeles and the University of Southern California. There is a galley area equipped with two microwave ovens, a refrigerator, and vending machines. A ribbon-cutting ceremony and informal luncheon were held to mark the official opening of the room. The new meeting/lunch room provides staff with a convenient facility in which to eat lunch and hold meetings.

### Ribbon-cutting Ceremony

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(Left picture) Jon D. Ceretto, Executive Officer/Clerk of Court; (Right picture) Bankruptcy Court Staff



### Improvements Made to Facilities Throughout the District

As in previous years, various improvement projects, addressing both maintenance and operational requirements, were undertaken in all facilities throughout the district. Some of these improvements include:

#### District-Wide Renovation Program Ongoing

The district-wide repair/maintenance program initiated in 2002 continued in 2003. In coordination with divisional staff, staff from the Court's Office Services Department visit each facility in the district on a quarterly basis. An extensive building "walk-through" is performed at each division, and a comprehensive list of required repairs/maintenance items is created. Work is then coordinated with either the General Services Administration (GSA) or the lessor, depending upon the scope of work required and whether or not the facility is leased space. Repair work completed in 2003 included items such as wall painting; cleaning floor and wall coverings; touching-up courtroom millwork; replacing damaged ceiling tiles; and repairing wall moldings. This general maintenance program ensures that all of the Court's facilities are kept in prime condition and do not deteriorate over time.

#### Roybal Building Caulking Project Commenced

Work began in 2003 to re-caulk the joints between the exterior building tiles and around the windows of the Edward R. Roybal Federal Building. This project will mitigate the destructive water intrusion that had become a widespread problem throughout the building. It is expected to be completed in early 2004. Once GSA completes the re-caulking, they will begin the necessary repair work to correct the interior damage caused by the leaks.

#### Building Space Reconfigured

Several space reconfiguration projects were initiated in the Los Angeles Division during 2003 in order to provide the Court with more efficient work areas. These projects included the relocation of the petition scanning/imaging station in the Federal Building from Records to Intake; the relocation and enhancement of the imaging area in Courtroom Services in the Edward R. Roybal Federal Building (see *Scanning/Relocated for Increased Efficiency*, page 36); and the reconfiguration of the ITD Help Desk and adjacent hardware support area.

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**Re-configured ITD Help Desk Area**

#### Chief Deputies' Offices Relocated

The offices of the Chief Deputies of Operations and Administration were relocated within the Edward R. Roybal Federal Building in the Los Angeles Division to enhance accessibility between related departments. The relocations were part of efforts to streamline Court functions and improve interaction between departments.

#### Roybal Computer Room Air Conditioning Upgraded

In an effort to protect sensitive computer equipment from potential damage caused by variations in room temperature, two three-ton air conditioning units were installed in the Edward R. Roybal Federal Building tenth floor computer room in the Los Angeles Division. This room had a history of fluctuating temperature, especially during the summer months when temperatures in excess of one hundred degrees were recorded in the room. The new units complement the existing air conditioning system to ensure adequate ventilation.

# Community Outreach

## **Executive Officer/Clerk Appointed to PICO Committee**

Chief Judge Mary M. Schroeder of the United States Court of Appeals for the Ninth Circuit appointed Jon D. Ceretto, Executive Officer/Clerk of Court, to a three-year term on the Public Information and Community Outreach (PICO) Committee for the Ninth Circuit. Mr. Ceretto's term on the Committee commenced on October 1, 2003. Established in 2000, the Committee promotes public understanding about the federal courts through outreach to the community and media. The Committee is comprised of a mix of circuit, district, and bankruptcy judges, along with clerks of court, attorneys, and media relations professionals.

## **Staff Contributes to CFC Campaign**

In 2003, Court employees contributed \$39,452 to a multitude of charities through the Combined Federal Campaign (CFC). In addition to the contributions by staff, the Court also supplied the CFC with a "loaned executive," who helped coordinate various government agencies in determining and reaching common contribution goals. The CFC, established in 1963 by President John F. Kennedy, is the only authorized charitable campaign in the federal government workplace. The CFC allows federal employees to contribute money to hundreds of different charities, which support worthwhile causes throughout the world.

## **Riverside Division Participates in Blood Drive**

Staff members from the Riverside Division participated in a blood drive in September 2003. The event was conducted in coordination with the County of Riverside and the County of San Bernardino Blood Bank. Blood donors received a portable CD case in appreciation of their efforts.

## **Santa Ana Division Participates in Numerous Charitable Causes**

The Santa Ana Division was active in numerous charitable efforts during 2003. The division assisted the Orange County Rescue Mission - House of Hope, which assists families and individuals needing help with housing and job search activities, by donating household items, clothing, and toys to the charity. The division also donated clothing, personal hygiene items, and toys to the Orangewood Children's Home, which provides a temporary shelter for abused children who have been removed from their homes.

## **San Fernando Valley Division Contributes to Multiple Organizations**

The San Fernando Valley Division contributed gifts of food, phone cards, and clothing to seniors at the ONE Center for The Share Project throughout the year. Employees also collected food items that were donated to the American Red Cross and to the San Fernando Valley Interfaith Council Food Bank. Judges and staff members in the division also delivered Thanksgiving dinner meals to homebound seniors identified through the Northeast Valley Multipurpose Senior Citizen Center.

**San Fernando Valley Division Participates in "Adopt a Soldier" Program**

In March 2003, many staff members in the San Fernando Valley Division joined together to send care packages and letters to twenty-two members of the Bravo Flight Company of the United States Air Force stationed in the Middle East. Care packages contained items such as hand wipes, hard candy, lip balm, eye drops, soap, and writing materials. Each participating staff member "adopted" a soldier and expressed their appreciation for each soldier's sacrifice. All of the "adoptees" returned home in 2003, and some have kept in touch with the Court.

**Northern Division Active in American Cancer Society Events**

A team from the Northern Division participated in the American Cancer Society's (ACS) Relay for Life fund-raising event in September 2003, collecting more than \$7,000 through sponsorships. The Relay for Life is an overnight event designed to celebrate cancer survivorship and raise money for research and programs for local ACS chapters. During the event, team members took turns walking or running laps, keeping at least one team member on the track at all times. The division also participated in ACS's Daffodil Days fund-raiser, where blooms are purchased and delivered to those contributing to the event.

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**Northern Division Relay for Life Participants**

**Santa Ana Division Celebrates Youth Day 2003**

On April 24, 2003, the Santa Ana Division hosted 18 children for its annual Youth Day program. The activities included a presentation by the Santa Ana Fire Department about the importance of fire safety, a visit to Judge James N. Barr's courtroom for an opportunity to present oral arguments on a pre-selected topic, a tour of the U.S. Marshals Service facility, and a discussion of police equipment and safety tips led by a police officer. The day concluded with the presentation of a Certificate of Appreciation to each child. The day afforded an opportunity to share valuable information about the justice system and to allow the children to learn more about their parents' and sponsors' occupations.

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**Santa Ana Division Youth Day**